

Digital Economy and Society Index¹ 2016²

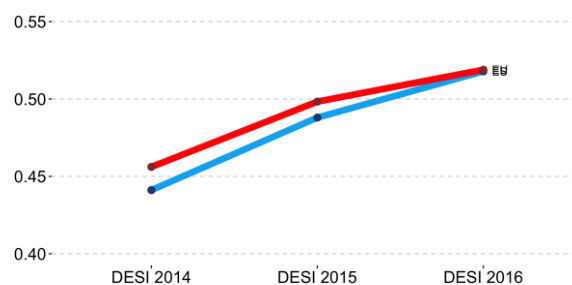
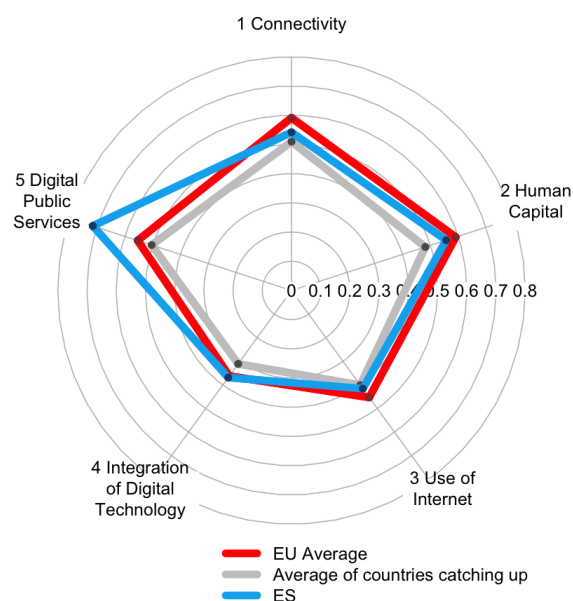
Country Profile

Spain

Spain has an overall score³ of **0.52** and ranks **15th** out of the 28 EU Member States. During last year, Spain has improved or maintained its performance in all areas measured by DESI. In particular, Spain ranks 4th when it comes to highest growth performance countries. Spain is increasing its performance in connectivity, as fast broadband networks are being deployed (77% of households have access to fast broadband) although with gaps among regions. In general, Spain is weak on the demand side, with low levels of digital skills (only 54% of Spaniards have basic digital skills) and Internet use, but strong in the use of digital technologies (RFID use and SMEs using Cloud) and in digital public services (this is the area where Spain performs best, thanks to an improved offer of these services).

Spain is part of the **catching up⁴** cluster of countries because, although it still performs slightly below than the EU as a whole, it has developed fast over the last year and got closer to the EU average.

	Spain rank	Spain score	Cluster score	EU score
DESI 2016	15	0.52	0.45	0.52
DESI 2015	17	0.49 ⁵	0.41	0.5



¹ The Digital Economy and Society Index (DESI) is a composite index developed by the European Commission (DG CNECT) to assess the development of EU countries towards a digital economy and society. It aggregates a set of relevant indicators structured around 5 dimensions: Connectivity, Human Capital, Use of Internet, Integration of Digital Technology and Digital Public Services. For more information about the DESI please refer to <http://ec.europa.eu/digital-agenda/en/digital-agenda-scoreboard>

² The DESI 2016 is constructed from indicators referring mostly to the calendar year 2015 (except when data is not available for that calendar year, in which case the latest prior data was used).

³ DESI scores range from 0 to 1, the higher the score the better the country performance.

⁴ In the DESI 2016, Spain is part of the cluster of countries that are catching up: countries that score below the EU average but whose score grew faster than that of the EU as a whole (in comparison to the DESI 2015). Other catching up countries are Croatia, Italy, Latvia, Romania and Slovenia.

⁵ The DESI 2015 was re-calculated for all countries to reflect updates and corrections to the underlying indicator data (which took place between May 2015 and January 2016). As such, country scores and rankings may have changed from the previous publication. For further information please consult the DESI methodological note.

1 Connectivity

1 Connectivity	Spain		Cluster score	EU score
	rank	score		
DESI 2016	18	0.54	0.51	0.59
DESI 2015	19	0.52	0.48	0.57

Regarding connectivity, Spain is increasing its performance in line with the EU average. Essentially, mobile broadband and fast fixed broadband – both at take-up level - are the two motors of this improvement.

	Spain			DESI 2015		EU
	DESI 2016 value	rank	rank	value	rank	DESI 2016 value
1a1 Fixed BB Coverage % households	95% (June 2015)	→	23	95% (December 2014)	22	97% (June 2015)
1a2 Fixed BB Take-up % households	69% (2015)	↑	15	65% (2014)	16	72% (2015)
1b1 Mobile BB Take-up Subscribers per 100 people	80 (June 2015)	↑	8	78 (December 2014)	8	75 (June 2015)
1b2 Spectrum % of the target for spectrum to be harmonised at EU level	73% (December 2015)	↓	12	76% (December 2014)	11	69% (December 2015)
1c1 NGA Coverage % households, out of all households	77% (June 2015)	↑	17	73% (December 2014)	18	71% (June 2015)
1c2 Subscriptions to Fast BB % of subscriptions >= 30Mbps, out of fixed BB subscriptions	29% (June 2015)	↑	19	23% (December 2014)	19	30% (June 2015)
1d1 Fixed BB Price % individual gross income spent for the cheapest standalone Fixed Broadband subscription (lower values are better)	2.7% (Access cost: 2015; Income: 2014)	↓	26	2.6% (Access cost: 2014; Income: 2014)	26	1.3% (Access cost: 2015; Income: 2014)

77% of households have access to fast and ultrafast broadband, up from 73% the year before, and 29% of them subscribed to this service. However, there are still big disparities among regions with coverage between 40% up to 90%. It is worth highlighting that Spain recorded the strongest growth in the EU in the deployment of fibre networks (FTTP) compared to 2014 (17.7 percentage points). This reflects the strategy of major Spanish operators to prioritise the deployment of future proof networks over upgrades of their legacy networks.

Mobile broadband take-up is the Connectivity indicator where Spain scores the best. However, Spain still needs to cover all its households with fixed broadband, since there are remaining areas to be covered as fixed broadband coverage indicator presents.

In fixed broadband pricing it is worthy mention that both standalone and double play offers (combination of fixed broadband and fixed telephony) have the same retail prices. Additionally, bundles in Spain are the most common product in the retail market.

2 Human Capital

2 Human Capital	Spain		Cluster score	EU score
	rank	score		
DESI 2016	18	0.56	0.48	0.59
DESI 2015	18	0.49	0.44	0.58

With a Human Capital score of 0.56, Spain maintains last year's position, among the lower half of EU countries, although it performs better than in the previous year (0.49).

	Spain				EU DESI 2016 value
	DESI 2016		DESI 2015		
	value	rank	value	rank	
2a1 Internet Users % individuals (aged 16-74)	75% (2015) ↑	15	71% (2014)	17	76% (2015)
2a2 Basic Digital Skills % individuals (aged 16-74)	54% (2015)	13	n.a.	-	55% (2015)
2b1 ICT Specialists % employed individuals	3.1% (2014) ↑	18	2.6% (2013)	19	3.7% (2014)
2b2 STEM Graduates Graduates in STEM per 1000 individuals (aged 20 to 29)	19 (2013) ↑	10	16 (2012)	17	18 (2014)

In order to fully develop its digital society, Spain needs to engage more of its citizens to use the Internet and to acquire digital skills. While there is some progress from year to year, so far this progress has been slow to catch up with the more advanced Member States. The best performance sub-indicator within this category is for technical graduates, which has proved to show a good step forward from previous years.

Insufficient levels of digital skills also limit the exploitation of economic benefits of investments in ICT by companies and public authorities. Although Spain is not faring too badly compared to other EU countries, in absolute levels the problem remains large, since only 54% of individuals between 16 and 74 years old have basic digital skills. The problem has been recognised and measures have been proposed in the Digital Agenda for Spain, which expected positive outcome in the forthcoming future.

3 Use of Internet

3 Use of Internet	Spain		Cluster score	EU score
	rank	score		
DESI 2016	21	0.42	0.4	0.45
DESI 2015	19	0.42	0.39	0.43

In terms of the propensity of individuals to use Internet services, Spain scores 0.42, performing slightly lower than in previous year in absolute terms. Spain ranks 21st among EU countries as a consequence of its stagnation compared to the rest of the countries.

	Spain				EU DESI 2016 value
	DESI 2016 value	rank	DESI 2015 value	rank	
3a1 News % individuals who used Internet in the last 3 months (aged 16-74)	79% (2015) ↑	13	78% (2014)	12	68% (2015)
3a2 Music, Videos and Games % individuals who used Internet in the last 3 months (aged 16-74)	52% (2014) →	13	52% (2014)	13	49% (2014)
3a3 Video on Demand % households that have a TV	27% (2014) →	14	27% (2014)	14	41% (2014)
3b1 Video Calls % individuals who used Internet in the last 3 months (aged 16-74)	29% (2015) ↓	27	32% (2014)	24	37% (2015)
3b2 Social Networks % individuals who used Internet in the last 3 months (aged 16-74)	65% (2015) ↓	18	67% (2014)	9	63% (2015)
3c1 Banking % individuals who used Internet in the last 3 months (aged 16-74)	50% (2015) ↑	17	49% (2014)	18	57% (2015)
3c2 Shopping % individuals who used Internet in the last year (aged 16-74)	53% (2015) ↑	16	48% (2014)	18	65% (2015)

Spanish citizens are keen to engage in a variety of online activities, but the overall score hides important differences across services. The band-hungry video applications (video calls and to some extent video-on-demand) are much less used in Spain than in the EU as a whole, probably reflecting the potential on subscriptions of fast broadband networks which has not been fulfilled yet and the use of alternative channels. On the other hand, number of Spaniards who are users of social networks decreased from last year 2 percentage points and made Spain fall below EU average.

For those applications requiring a good deal of trust in online security, i.e. online banking and online shopping, Spain shows lower levels of adoption compared to EU average, albeit not among the worst, with online shopping increasing by 5 percentage points. In so far as these applications are among the key drivers of adoption of the Internet, their low level of adoption can partly explain why the overall Internet use in Spain is relatively low.

4 Integration of Digital Technology

4 Integration of Digital Technology	Spain		Cluster score	EU score
	rank	score		
DESI 2016	14	0.37	0.31	0.36
DESI 2015	14	0.35	0.27	0.33

In Integration of Digital Technology by businesses, Spain scores 0.37, better than in all other previous dimensions and with a score above the EU average (0.36).

	Spain				EU DESI 2016 value
	DESI 2016 value	rank	DESI 2015 value	rank	
4a1 Electronic Information Sharing % enterprises (no financial sector, 10+ employees)	35% (2015) ↓	15	36% (2014)	11	36% (2015)
4a2 RFID % enterprises (no financial sector, 10+ employees)	6.5% (2014) →	3	6.5% (2014)	3	3.8% (2014)
4a3 Social Media % enterprises (no financial sector, 10+ employees)	21% (2015) ↑	7	20% (2014)	8	18% (2015)
4a4 eInvoices % enterprises (no financial sector, 10+ employees)	10% (2015)	18	n.a.	-	n.a.
4a5 Cloud % enterprises (no financial sector, 10+ employees)	10% (2015) ↑	13	9.3% (2014)	15	n.a.
4b1 SMEs Selling Online % SMEs (no financial sector, 10+ employees)	16% (2015) →	12	16% (2014)	10	16% (2015)
4b2 eCommerce Turnover % turnover of SMEs (no financial sector, 10-249 employees)	7.3% (2015) ↓	20	8.1% (2014)	14	9.4% (2015)
4b3 Selling Online Cross-border % SMEs (no financial sector, 10+ employees)	5.9% (2015) ↑	20	4.5% (2013)	21	7.5% (2015)

Spanish businesses are not getting out the most of the new digital technologies. The share of SMEs using eInvoice this shows a good performance, partly because from 2015, electronic invoicing was obligatory for all suppliers dealing with the central public administration for invoices higher than 5000 €, thus limiting scope for fraud. The law on administrative procedure, revised in October, promotes e-government by making it compulsory for firms to deal with the public administration services electronically.

On the other hand, the use of social media and cloud are growing positively but slowly, which is unusual for an economy with a very strong focus on tourism and accommodation services, and also still contrasts with the enthusiastic adoption of social networks by Spanish residents. Spanish SMEs exploit the potential of cross-border sales only to a small extent, but this is fairly typical for large member states.

5 Digital Public Services

5 Digital Public Services	Spain		Cluster score	EU score
	rank	score		
DESI 2016	5	0.72	0.5	0.55
DESI 2015	7	0.68	0.45	0.54

Digital Public Services is the dimension where Spain performs best of all DESI 2016 dimensions: with a score of 0.72, Spain ranks 5th among EU Member States. Moreover, Spain's score improved much faster than the EU average.

	Spain				EU DESI 2016 value
	DESI 2016		DESI 2015		
	value	rank	value	rank	
5a1 eGovernment Users % individuals returning filled forms, out of Internet users in the last year (aged 16-74)	38% (2015) ↑	11	37% (2014)	12	32% (2015)
5a2 Pre-filled Forms Score (0 to 100)	68 (2015) ↑	9	56 (2014)	12	49 (2015)
5a3 Online Service Completion Score (0 to 100)	91 (2015) →	7	91 (2014)	4	81 (2015)
5a4 Open Data Score (0 to 700)	550 (2015) →	2	550 (2014)	2	351 (2015)

Progress in the area of digital public services has come mostly from a significant number of active users of eGovernment, 6 points higher than the EU average. This reflects an improved offer of eGovernment services. As a result of the Law on eInvoicing and the creation of an accounting record of 2013, electronic invoicing has become obligatory for all suppliers dealing with the central public administration for more than 5000 € as of 15 January 2015 (see Dimension of Integration of Digital Technology). Many autonomous regions have already adhered to the central entry portal (FACe) or are putting a similar system in place. As for pre-filled forms, this sub-indicator performs better than EU average and ranks 9th among all countries.

Spain's commitment to open data is clearly proved in open Data sub-indicator, where Spain ranks the best of all its DESI indicators since it scores 2nd among all Member States.